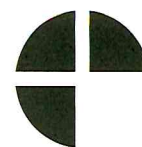




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**CEREBRA MIDDLE
EAST FZCO
DUBAI SILICON OASIS
UNITED ARAB EMIRATES
FINANCIAL STATEMENTS
MARCH 31, 2016**



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CONTENTS	PAGES
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Cash Flows	5
Statement of Changes in Equity	6
Notes to Financial Statements	7-17

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
CEREBRA MIDDLE EAST FZCO
DUBAI SILICON OASIS, DUBAI, UNITED ARAB EMIRATES**

We have audited the accompanying financial statements of Cerebra Middle East FZCO, Dubai Silicon Oasis, Dubai, U.A.E, (the "Company"), which comprise the statement of financial position as at March 31, 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- We have not received direct confirmations from Abu Dhabi Commercial Bank, Emirates Islamic Bank, Emirates Money, First Gulf Bank, Mashreq Bank, Noor Bank PJSC, RAK Bank and United Arab Bank, Dubai for balances with them as at March 31, 2016. In the absence of direct confirmation, we are unable to ascertain any contingent and / or other liabilities outstanding with these banks/financial institutions as at the date of statement of financial position.



(1)

Except for the effects of the foregoing, if any, in our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2016 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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Public Accountants
Dubai
May 30, 2016

01/2

Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	Notes	31.03.16 AED	31.03.15 AED
ASSETS			
Current assets:			
Trade accounts receivables	5	✓ 14,121,080	✓ 9,013,757
Inventories	6	✓ 240,700	✓ 494,000
Prepayments, deposits and other receivables	7	✓ 88,241	✓ 1,121,355
Deposits with banks	8	✓ 291,333	✓ 203,750
Bank balance and cash	9	✓ 83,084	✓ 517,831
		<u>14,824,438</u>	<u>11,350,693</u>
Non-current assets:			
Property, plant and equipments (net)	10	✓ 79,538	✓ 91,258
		<u>79,538</u>	<u>91,258</u>
Total assets		<u>14,903,976</u>	<u>11,441,951</u>
Current liabilities:			
Current term portion of loans and borrowings	11	✓ 1,865,627	✓ 1,140,393
Trade accounts payables	12	✓ 3,998,889	✓ 2,574,981
Accruals and other payables	13	✓ 107,259	✓ 931,915
		<u>5,971,775</u>	<u>4,647,289</u>
Non- current liabilities:			
Medium term portion of loans and borrowings	11	✓ 1,070,671	✓ 2,733,522
		<u>1,070,671</u>	<u>2,733,522</u>
Total liabilities		<u>7,042,446</u>	<u>7,380,811</u>
NET ASSETS		<u>7,861,530</u>	<u>4,061,140</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Capital	14	✓ 100,000	✓ 100,000
Retained earnings/ (accumulated deficit)		<u>5,369,173</u>	<u>2,676,660</u>
		<u>5,469,173</u>	<u>2,776,660</u>
Current accounts	15	✓ 2,392,357	✓ 1,284,480
TOTAL EQUITY		<u>7,861,530</u>	<u>4,061,140</u>

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We confirm that we have made available all the relevant accounting records and information for their compilation.

These financial statements were approved on May 30, 2016 and signed by:

.....
 Mr. Asit Ahuja Krishanlal Ahuja
 Director




The attached notes 1 to 25 form part of these financial statements.



Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF COMPREHENSIVE INCOME
Year ended March 31, 2016

	Notes	31.03.16 AED	31.03.15 AED
Sales		49,433,205	67,519,378
Cost of sales	16	(40,667,437)	(57,975,834)
Gross profit		8,765,768	9,543,544
Selling & general and administrative expenses	17	(5,257,708)	(6,041,339)
Depreciation		(11,720)	(19,927)
Finance charges		(823,690)	(1,069,332)
Profit / (loss) from operations		2,672,650	2,412,946
Other income	18	19,863	-
Net profit/ (loss) for the year		2,692,513	2,412,946

The attached notes 1 to 25 form part of these financial statements.



Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	31.03.16	31.03.15
	AED	AED
OPERATING ACTIVITIES		
Net profit / (loss) for the year	2,692,513	2,412,946
<i>Adjustments for:</i>		
Depreciation	11,720	19,927
Cash from (used in) operations before working capital changes	2,704,233	2,432,873
Trade accounts receivables	(5,107,323)	(6,049,076)
Inventory	253,300	(422,411)
Prepayments and other receivables	1,033,114	(924,669)
Deposit with banks	(87,583)	(203,750)
Trade accounts payables	1,423,908	1,902,662
Accruals and other payables	(824,656)	(1,062,377)
Net cash (used in) operating activities	(605,007)	(4,326,748)
INVESTING ACTIVITIES		
Purchase of property, plant and equipments	-	(33,271)
Net cash (used in) investing activities	-	(33,271)
FINANCING ACTIVITIES		
Shareholders' current accounts	1,107,877	149,850
Loans and borrowings	(937,617)	3,873,915
Net cash (used in) financing activities	170,260	4,023,765
Increase / (decrease) in cash and cash equivalents	(434,747)	(336,254)
Cash and cash equivalents at the beginning of the year	517,831	854,085
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	83,084	517,831

The attached notes 1 to 25 form part of these financial statements.



Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF CHANGES IN EQUITY
As at March 31, 2016

	Capital	Retained earnings/ (accumulated deficit)	Current accounts	Total equity
	AED	AED	AED	AED
As on October 01, 2013	100,000	263,714	1,134,630	1,498,344
Funds introduced / (withdrawn), net	-	-	149,850	149,850
Transfer from statement of comprehensive income	-	2,412,946	-	2,412,946
As at March 31, 2015	100,000	2,676,660	1,284,480	4,061,140
Funds introduced / (withdrawn), net	-	-	1,107,877	1,107,877
Transfer from statement of comprehensive income	-	2,692,513	-	2,692,513
As at March 31, 2016	100,000	5,369,173	2,392,357	7,861,530



The attached notes 1 to 25 form part of these financial statements.

Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
NOTES TO FINANCIAL STATEMENTS

1 STATUS AND ACTIVITIES

Cerebra Middle East FZCO, Dubai ("the Company") is a Free Trade Zone Company with limited liability registered with the Dubai Silicon Oasis Authority, Government of Dubai, U.A.E under license no. 473 issued on April 05, 2011.

The names of the shareholders and their shareholding are as follows;

Name of the shareholders	Nationality	No. of Shares	% share
Cerebra Integrated Technologies Limited	India	9	90%
Mr. Asit Ahuja Krishanlal Ahuja	India	1	10%

The company is engaged in the business of computer equipment & requisites trading and computer software trading.

2 GOING CONCERN ASSUMPTION

These financial statements are prepared on a going concern basis, which assumes that the company will continue to operate as a going concern for the foreseeable future.

3 APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

The following standards and amendments to existing standards that are applicable to the Company have been published and are mandatory for accounting periods of the Company beginning on or after 1 January 2015, but which have not been adopted early by the Company:

a) IFRS 9, 'Financial Instruments' has an effective date for accounting periods beginning on or after 1 January 2018 now that it has been finalised. IFRS 9 outlines the recognition, measurement and derecognition of financial assets and financial liabilities, the impairment of financial assets and hedge accounting. Financial assets are to be measured at amortised cost, fair value through profit and loss or fair value through other comprehensive income, with an irrevocable option on initial recognition to recognise some equity financial assets at fair value through other comprehensive income. The impairment model in IFRS 9 moves to one that is based on expected credit losses rather than the IAS 39 incurred loss model. The derecognition principles of IAS 39, 'Financial Instrument: Recognition and Measurement' have been transferred to IFRS 9. The hedge accounting requirements have been liberalised from that allowed previously. The requirements are based on whether an economic hedge is in existence, with less restriction to prove whether a relationship will be effective than current requirements.

b) IFRS 7, 'Financial Instruments' is mandatory for adoption for period beginning on or after 1 January 2015.

The new disclosures in IFRS 7 include:

Changes in the classifications of financial assets and financial liabilities, showing separately:

- The changes in the carrying amounts on the basis of their measurement categories in accordance with IAS 39 (i.e. not resulting from a change in measurement attribute on transition to IFRS 9).

3 APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (Contd.)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company (Contd.)

- The changes in the carrying amounts arising from a change in measurement attribute, such as from amortised cost to fair value, on transition to IFRS 9.

The following four financial assets and financial liabilities that have been reclassified so that they are measured at amortised cost as a result of the transition to IFRS 9.

- The fair value of the financial assets or financial liabilities at the end of the reporting period.
- The fair value gain or loss that would have been recognised in profit or loss or other comprehensive income during the reporting period if the financial assets or financial liabilities had not been reclassified.
- The effective interest rate determined on the date of reclassification.
- The interest income or expense recognised.

c) The amendments to IAS 27 'Separate Financial Statements' permits investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

d) In December 2013, the IASB issued amendments to its standards as part of its annual improvements projects which are applicable to annual periods beginning on or after 1 July 2014. The amendments to standards are as follows:

Annual Improvements 2010-2012 Cycle

- * IFRS 2 — Amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition'.
- * IFRS 3 — Require contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.
- * IFRS 8 — Requires disclosure of the judgments made by management in applying the aggregation criteria to operating segments, clarify reconciliations of segment assets only required if segment assets are reported regularly.
- * IFRS 13 — Clarify that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only).
- * IAS 16 and IAS 38 — Clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount.
- * IAS 24 — Clarify how payments to entities providing management services are to be disclosed.

Annual Improvements 2011-2013 Cycle

- * IFRS 1 — Clarify which versions of IFRSs can be used on initial adoption (amends basis for conclusion only).
- * IFRS 3 — Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
- * IFRS 13 — Clarify the scope of the portfolio exception in paragraph 52.

3 APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (Contd.)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company (Contd.)

* IAS 40 — Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment.

e) IFRS 15, "Revenue from Contracts with Customers" issued in May 2014 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- * Identify the contract with the customer.
- * Identify the performance obligations in the contract.
- * Determine the transaction price.
- * Allocate the transaction price to the performance obligations in the contracts.
- * Recognise revenue when (or as) the Company satisfies a performance obligation.

The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the Company's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will apply to annual periods beginning on or after 1 January 2017.

f) Amendments to IFRS 11, 'Joint Arrangements' issued in May 2014 provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments are applicable for annual periods beginning on or after 1 January 2016. The amendments clarify that a joint operator that acquires an asset or group of assets in a joint operation that represents a business in accordance with IFRS 3, applies the principles in IFRS 3 in accounting for business combinations to the acquisition. This will result in separate recognition of goodwill, if any, arises on the acquisition. If the asset or group of assets acquired does not constitute a business the principles of IFRS 3 are not applied.

g) Amendments to IAS 16, 'Property, Plant and Equipments' and IAS 38 'Intangible Assets' were issued in May 2014 clarifying the acceptable methods of depreciation and amortization. The amendments are applicable for annual periods beginning on or after 1 January 2016.

h) IAS 28 and IFRS 10 (amendment), 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture', are effective for periods beginning on or after 1 January 2016. The amendment requires on the transfer of an asset that is a business in a downstream transaction that the Company recognises the gain or loss on the transfer in full. On transfer of an asset that is not a business; the investor recognises a partial gain or loss based on the Company's unrelated interest in the Associate or Joint Venture. Consistently IFRS 10 has been amended that the full gain or loss is not recognised when a subsidiary is transferred that does not meet the definition of a business.

The management anticipates that the adoption of these standards / amendments will have no material impact on the presentation and disclosure of items in the financial statements for future periods.

4 SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the company has been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board and applicable requirements of Dubai Silicon Oasis Authority.

It should be noted that accounting estimates and assumptions are used in preparing the financial statements. Although the estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

The following accounting policies, which comply with IFRS, have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies are consistent with those used in the previous year.

Accounting basis

The financial statements have been prepared under the accrual basis with the exception of staff end of service benefits, leave salary and air fare which are accounted for when paid.

Revenue recognition

Sales are recognised when the significant risks and rewards of ownership of goods have been passed to the buyer and the amount of revenue can be measured reliably.

Property, plant and equipments

Fixed assets are depreciated on cost using straight line method at rates calculated to depreciate the assets concerned over their estimated useful lives.

The annual rate of depreciation used are as follows:

Office equipments : 10%

Furniture & fixtures : 10%

Accounts receivables

Accounts receivable balances are stated at original invoice amounts less a provision for any uncollectible amounts. An estimate of doubtful debts is made when collection of full amount is no longer probable.

Bad debts are written off as incurred.

Valuation of inventory

Inventories are stated at lower of cost or net realizable value, cost being determined on average basis. Cost includes purchase cost and other expenses incurred in bringing the inventory to their present location.

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank overdraft repayable on demand, bank current and call accounts, fixed deposits free from lien with original maturity date of three months or less from the date of deposit.

Impairment and collectability of financial assets

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If such evidence



exists, the estimated recoverable amount of that asset is determined and an impairment loss is recognized for difference between the recoverable amount and the carrying amount. Impairment losses are recognized in the statement of comprehensive income.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flow from the asset expires; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another company. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services, whether billed by the supplier or not.

Provision

A provision is recognized when the company has an obligation, legal or constructive, arising from past event, and cost to settle the obligation are both probable and able to be reliably measured.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Foreign currencies

Transactions in foreign currencies, if any, are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

5 TRADE ACCOUNTS RECEIVABLES

	31.03.16	31.03.15
	AED	AED
Trade debtors	14,121,080	9,013,757
	<u>✓ 14,121,080</u>	<u>✓ 9,013,757</u>
The ageing of trade debtors is as follows:		
Less than 3 months	11,268,592	7,192,959
3 to 6 months	1,138,284	407,429
6 to 12 months	1,209,987	772,358
Above 12 months	504,217	641,011
	<u>✓ 14,121,080</u>	<u>✓ 9,013,757</u>



6 INVENTORY

	31.03.16	31.03.15
	AED	AED
Computer equipments and accessories	240,700	494,000
	<u>240,700</u>	<u>494,000</u>

7 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	31.03.16	31.03.15
	AED	AED
Prepaid expenses	12,099	61,556
Deposits	66,238	57,731
Staff advances	9,904	9,533
Due from customers	-	992,535
	<u>88,241</u>	<u>1,121,355</u>

8 DEPOSITS WITH BANKS

	31.03.16	31.03.15
	AED	AED
Margin deposits with Rak Bank, Dubai	291,333	203,750
	<u>291,333</u>	<u>203,750</u>

Deposits are kept under lien for facilities availed from the banks.

9 BANK BALANCES AND CASH

	31.03.16	31.03.15
	AED	AED
Cash in hand	13,517	15,312
Cash at bank in current accounts	69,567	502,519
	<u>83,084</u>	<u>517,831</u>

10 PROPERTY, PLANT AND EQUIPMENTS (NET)

Please refer annexure - 1 (Page - 17)

11 LOANS AND BORROWINGS

	31.03.16	31.03.15
	AED	AED
Medium term maturity:		
Term loans:		
Abu Dhabi Commercial Bank, Dubai	-	211,975
Emirates Islamic Bank, Dubai	-	86,034
Emirates Money, Dubai	53,108	213,233
First Gulf Bank, Dubai	450,204	871,570
Mashreq Bank, Dubai	462,224	813,478
Noor Bank PJSC, Dubai	93,444	310,335
United Arab Bank, Dubai	11,691	226,897
	<u>1,070,671</u>	<u>2,733,522</u>



	31.03.16 AED	31.03.15 AED
Current maturity:		
Term loans:		
Abu Dhabi Commercial Bank, Dubai	213,784	162,483
Abu Dhabi Islamic Bank, Dubai	182,594	-
Emirates Islamic Bank, Dubai	82,769	121,534
Emirates Money, Dubai	171,336	122,757
First Gulf Bank, Dubai	427,260	240,588
Mashreq Bank, Dubai	354,372	186,522
Noor Bank PJSC, Dubai	216,900	146,397
United Arab Bank, Dubai	216,612	160,112
	<u>1,865,627</u>	<u>1,140,393</u>

Term loans are secured by the following:

- * Personal guarantee of Mr. Asit Ahuja, the Managing Director of the company.
- * Undated security cheques favouring Abu Dhabi Commercial Bank, Dubai amounting to AED. 510,000/-.
- * Undated security cheques favouring Abu Dhabi Islamic Bank, Dubai amounting to AED. 550,080/-
- * Undated security cheques favouring Emirates Islamic Bank, Dubai amounting to AED. 275,000/-.
- * Undated security cheques favouring Emirates Money, Dubai amounting to AED. 400,000/-.
- * Undated security cheques favouring First Gulf Bank, Dubai amounting to AED. 1,200,000/-.
- * Undated security cheques favouring Mashreq Bank PSC, Dubai amounting to AED. 1,100,000/-.
- * Undated security cheques favouring Noor Bank PJSC, Dubai amounting to AED. 550,000/-.
- * Undated security cheques favouring United Arab Bank, Dubai amounting to AED. 758,142/-

12 TRADE ACCOUNTS PAYABLES

	31.03.16 AED	31.03.15 AED
Trade creditors	<u>3,998,889</u>	<u>2,574,981</u>
	<u>3,998,889</u>	<u>2,574,981</u>
The ageing of trade creditors is as follows:		
Less than 3 months	2,311,414	1,488,375
3 to 6 months	1,170,138	753,480
More than 12 months	517,337	333,126
	<u>3,998,889</u>	<u>2,574,981</u>

13 ACCRUALS AND OTHER PAYABLES

	31.03.16 AED	31.03.15 AED
Accrued expenses	52,447	38,634
Provision for expenses	-	893,281
Other payables	54,812	-
	<u>107,259</u>	<u>931,915</u>



14 CAPITAL

	31.03.16 AED	31.03.15 AED
Authorized, issued and fully paid up share capital of the company is AED. 100,000 divided into 10 shares of AED. 10,000/- each.		
Cerebra Integrated Technologies Limited, India	90,000	90,000
Mr. Asit Ahuja Krishanlal Ahuja	10,000	10,000
	<u>✓ 100,000</u>	<u>100,000</u>

15 CURRENT ACCOUNTS

	31.03.16 AED	31.03.15 AED
Cerebra Integrated Technologies Limited, India	2,221,713	1,294,480
Mr. Asit Ahuja Krishanlal Ahuja	170,644	(10,000)
	<u>✓ 2,392,357</u>	<u>1,284,480</u>

16 COST OF SALES

	31.03.16 AED	31.03.15 AED
Materials consumed	40,634,097	57,913,841
Other direct expenses	33,340	61,993
	<u>✓ 40,667,437</u>	<u>✓ 57,975,834</u>

17 SELLING & GENERAL AND ADMINISTRATIVE EXPENSES

	31.03.16 AED	31.03.15 AED
Payroll and related expenses	1,843,580	3,019,703
Immigration and visa expenses	17,162	38,580
Rents paid	133,615	168,132
Postage, telephone & fax	66,392	124,495
License fees and other related expenses	11,457	12,574
Insurance expenses	50,001	68,182
Travelling expenses	20,296	42,040
Legal and professional charges	29,613	41,122
Discounts & commissions	2,934,438	2,230,347
Advertisement and business promotion expenses	93,523	194,250
Bank charges	18,427	47,225
Others	39,204	54,689
	<u>✓ 5,257,708</u>	<u>6,041,339</u>

18 OTHER INCOME

	31.03.16 AED	31.03.15 AED
Miscellaneous income	19,863	-
	<u>✓ 19,863</u>	<u>-</u>



19 CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	31.03.16	31.03.15
	AED	AED
Cheques discounted (RAK Bank, Dubai)	1,266,903	1,018,750
	<u>1,266,903</u>	<u>1,018,750</u>

20 RISK MANAGEMENT

Liquidity risk

The company limits its liquidity risk by ensuring that adequate funds are available.

Credit risk

The company seeks to limit its credit risk by setting limits for individual customers and monitoring outstanding receivable balances. As at March 31, 2016 top five trade receivable balances represent 75.41% (previous period: 89.25%) of the total trade receivable balances outstanding.

Country-wise concentration of trade receivable balances are as follows:

Country	31.03.16	31.03.15
U.A.E.	94.43%	78.96%
Qatar	2.82%	18.53%
Others	2.75%	2.51%

Interest rate risk

The term deposits with banks and loans & borrowings as at prevailing market rates. Other financial instruments and assets and liabilities of the company as at the statement of financial position date are not interest based.

Exchange rate risk

Exchange rate risk, if any, in respect of foreign currency exposure is closely monitored by the Management.

Supplier concentration risk

As March 31, 2016 top five trade payable balances represent 98.25% (previous period: top five 100%) of the total value of trade payable balances outstanding.

Country-wise concentration of trade payable balances are as follows:

Country	31.03.16	31.03.15
U.A.E.	45.96%	5.94%
USA	47.89%	24.04%
Germany	6.15%	12.94%
Denmark	-	57.08%

21 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets, financial liabilities and equity instruments. Financial assets consist of inventories, trade accounts receivable balances, prepayments & deposits, deposits with banks and bank balances and cash. Financial liabilities consist of accounts payable balances, loan and borrowings, accrued expenses and other payable balances.

The fair values of financial instruments are not materially different from their carrying values.



22 SIGNIFICANT EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no significant events occurring after the statement of financial position date which require disclosure in the financial statements.

23 NUMBER OF PERSONNEL

There were thirteen employees (previous period: fourteen) as at the date of the statement of financial position.

24 In the opinion of the management all the assets shown in the financial statements are existing and realisable at the amounts shown against them and there are no liabilities against the company, contingent or otherwise, not included in the above financial statements.

25 GENERAL

- a) The comparative figures as at March 31, 2015 have been reclassified wherever necessary to conform with the presentation of the current year. Such reclassification do not affect previously reported net profit or partners' equity.
- b) The figures in the financial statements are rounded to the nearest Dirham of United Arab Emirates.

10 PROPERTY, PLANT AND EQUIPMENTS (NET)

Fixed assets are stated at cost, less accumulated depreciation as follows:

	Office equipments	Furniture & fixtures	Total
	AED	AED	AED
Cost			
As at April 01, 2015		-	
As at March 31, 2016	43,064	74,135	117,199
	43,064	74,135	117,199
Depreciation			
As at April 01, 2015	10,075	15,866	25,941
Charge for the year	4,306	7,414	11,720
As at March 31, 2016	14,381	23,280	37,661
Net Book Value			
As at March 31, 2016	28,683	50,855	79,538
As at March 31, 2015	32,989	58,269	91,258